



07

barclays.com/annualreport07

Annual Review



Group Chairman's message



Marcus Agius
Group Chairman

“Barclays performed well during 2007, despite the difficult market conditions. Although profit before tax fell 1%, profit before business disposals rose 3%. The Investment Banking and Investment Management businesses (Barclays Capital, Barclays Global Investors and Barclays Wealth) all achieved profits ahead of 2006. In Global Retail and Commercial Banking, there were good performances from the UK businesses and continued investment in and development of the international business, where income rose sharply. The Group’s diversified portfolio of businesses is serving us well. We declared a final dividend for the year of 22.5p per share, making a total payment for the year of 34p, an increase of 10%.”

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Group Chief Executive's review



John Varley
Group Chief Executive

“Barclays delivered a resilient performance in 2007. The strength of our diversified businesses gives us confidence for the period ahead.”

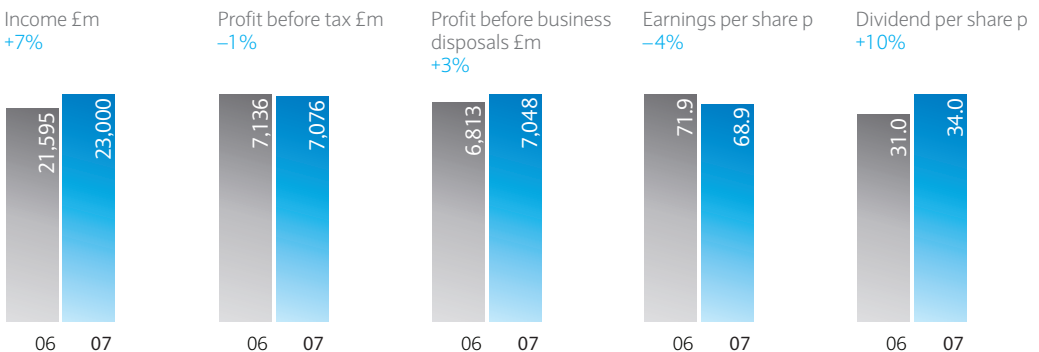
Barclays delivered a resilient financial performance in 2007 in a year of contrasting market conditions. The excellent results of the first half were achieved in a relatively benign environment; in the second half we were not immune from the impact of the credit market turbulence, but profit before business disposals for the year still increased 3%. I am pleased to report profits again above £7bn, which is well ahead of the average level of the previous three years.

At a time of significant market turbulence, it is important to be clear and confident about strategy. The strategy of Barclays is to achieve superior growth through time by diversifying our profit base. The precondition of successful growth is relevance to customers. We seek to maximise the alignment between the sources of growth in the financial services industry (in particular anticipating what customers want and need) with what we have in Barclays (in terms of brand, capability and physical footprint). We recommit to our strategy following our bid for ABN AMRO, and in the light of the market volatility. We are confident that our strategy offers the best route to strong growth in the years ahead.

This has been a demanding year for our staff, and we have them to thank for delivering the results we have achieved despite multiple distractions in difficult market circumstances. I am proud of their commitment to putting our customers first and I am confident that we enter our new four year goal period (where we seek to grow economic profit during the period 2008-2011 at a compound rate of between 5% and 10%) with a team as good as any in the banking industry.

Our experience of 2007 gives us confidence, and we enter 2008 with a strong capital base, a consistent strategic direction, a well diversified set of businesses and significant opportunities for growth in the medium term.

Financial highlights



Group Chief Executive's review continued

Barclays today

Global Retail and Commercial Banking

UK Retail Banking

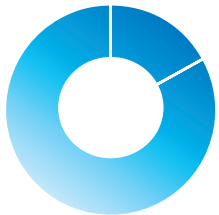
Profit before tax

£1,282^m

- Personal Customers
- Home Finance
- Local Business
- Consumer Lending
- Barclays Financial Planning

Contribution to group profit^a

17%

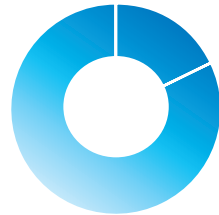


Barclays Commercial Bank

£1,371^m

- Larger Business
- Medium Business
- Asset and Sales Finance

18%

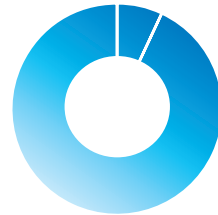


Barclaycard

£540^m

- UK Cards and Loans
- Barclaycard Business
- Barclaycard International

7%

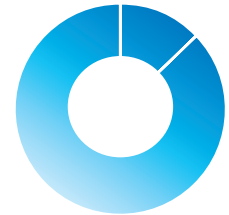


International Retail and Commercial Banking

£935^m

- Absa
- Western Europe
- Emerging Markets

13%



Barclays financial performance in 2007 demonstrated the benefits of the successful execution of our strategic priorities in recent years. We delivered profit before tax of £7,076m broadly in line with the record results of 2006 and up 3% excluding gains from business disposals. Earnings per share were 68.9p and we increased the full year dividend payout to 34p, a rise of 10%.

We are building significant momentum in Global Retail and Commercial Banking (GRCB). In particular, we have been growing our distribution channels to create a much broader business base for the years ahead.

During 2007, we opened over 600 new branches and sales centres outside the United Kingdom, increasing by over one third the number of distribution points across these parts of our GRCB business. This growth is feeding through powerfully into activity levels.

Absa performed well, including delivering on its synergy target 18 months ahead of schedule.

The turnaround of UK Retail Banking continued during 2007, with strong income growth in core product areas, including mortgages.

Note

^a Head office functions and other operations segment has been excluded.

Investment Banking and Investment Management

Barclays Capital

Profit before tax

£2,335^m

- Rates
- Credit
- Private Equity
- Absa Capital

Contribution to group profit^a

31%

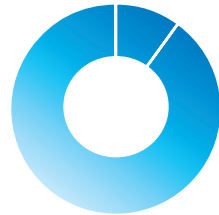


Barclays Global Investors

£734^m

- Index asset management
- Active asset management
- iShares

10%

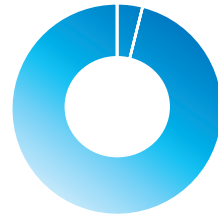


Barclays Wealth

£307^m

- Private Banking
- Offshore Banking
- Brokerage
- Wealth Structuring
- Closed Life Assurance

4%



In Barclaycard, we have made excellent progress towards our goal of re-establishing a leadership position in the United Kingdom and in the aggressive expansion of our International Cards business.

In Investment Banking and Investment Management I believe that we handled well the stress test of market turbulence in the second half of 2007. Both Barclays Capital and Barclays Global Investors ended 2007 with profits ahead of 2006, which itself was a year of rapid growth and record profitability for both. We have benefited significantly from the business diversification that we

have pursued in recent years: the development of capabilities by Barclays Capital in commodities, foreign exchange and equity products enabled us to deliver excellent income growth in 2007 in those areas.

The cost flexibility that we have built into the business model here has also served shareholders well, enabling us to reduce expenses year on year, and improve the cost:net income and compensation ratios.

In Barclays Global Investors, iShares' assets under management grew over \$100bn to \$408bn. Barclays Wealth is making good progress towards the achievement of its profit goal of £500m in the medium term.

Note

^a Head office functions and other operations segment has been excluded.

Rapid Growth in targeted markets outside the UK

Since establishing GRCB Emerging Markets in March 2007, Barclays retail and commercial business growth in these regions has been rapid. Our distribution network has more than doubled with the addition of 336 new branches and sales centres and 457 ATMs. We doubled our customer base. This represents the largest expansion by any bank in these markets.

We are able to do this successfully because we are innovative and flexible in our approach to new markets. We adapt the experience and expertise gained in mature markets to provide new products and services suited to the local customer demand.

In addition to expanding the footprint of Barclays established presence across Africa, we re-launched our operations in Egypt and launched our retail

Using our experience to provide innovative and flexible solutions for customers across the world



banking business in the United Arab Emirates, under the 'Banking Re-invented' theme. This proved to be more than just an advertising slogan. We re-engineered the way our customers bank with us by harnessing the power of innovative thinking and reliable technology, tried and tested by Barclays around the world. For example, we introduced 15 minute account opening in the UAE and flexible payment days for Barclaycard, setting a very high market benchmark.

We also launched retail and commercial banking businesses in India in 2007. We are already the fastest-growing bank in the sub-continent and aim to be among one of its top foreign banks within the next three years. Commercial and retail banking are expanding fast, and again, innovative approaches and state-of-the-art technology are being brought

together to generate products from across the Barclays businesses that match what local customers need. Our 24/7 banking hours in the Delhi branch – a first in India – provide just one successful example of coupling innovative thinking with technology. This is an example of how we can take products and services we have developed for more mature markets and adapt them to create new opportunities.

Find out more at:
barclays.com/annualreport07



Summary Financial Statement

Summary consolidated income statement

For the year ended 31st December

	2007 £m	2006 £m
Net interest income	9,610	9,143
Net fee and commission income	7,708	7,177
Other income ^a	6,174	5,850
Total income	23,492	22,170
Net claims and benefits incurred on insurance contracts	(492)	(575)
Total income net of insurance claims	23,000	21,595
Impairment charges and other credit risk provisions	(2,795)	(2,154)
Net income	20,205	19,441
Operating expenses	(13,199)	(12,674)
Share of post-tax results of associates and joint ventures	42	46
Profit on disposal of subsidiaries, associates and joint ventures	28	323
Profit before tax	7,076	7,136
Tax	(1,981)	(1,941)
Profit after tax	5,095	5,195
Profit attributable to minority interests	678	624
Profit attributable to equity holders of the parent	4,417	4,571
	5,095	5,195
Dividends		
Interim dividend paid 11.50p (2006: 10.50p)	£768m	£666m
Final dividend proposed ^b 22.50p (2006: 20.50p)	£1,485m	£1,307m
Earnings per share		
Basic earnings per share ^c	68.9p	71.9p
Diluted earnings per share ^d	66.7p	69.8p

The summary consolidated income statement and the summary consolidated balance sheet were approved by the Board of Directors on 7th March 2008 and signed on its behalf by the Group Chairman.

Notes

a Other income

Includes net trading income, net investment income and net premiums from insurance contracts.

b Dividends

The financial statements for the year ended 31st December 2007 do not reflect these dividends, which will be accounted for in shareholders' equity as an appropriation of retained profits for the year ending 31st December 2008. The financial statements to 31st December 2007 include the 2006 final dividend of £1,307m.

c Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity holders of the parent and the number of basic weighted average number of shares excluding own shares held in employee benefits trusts and shares held for trading.

d Diluted earnings per share

When calculating the diluted earnings per share, the profit attributable to equity holders of the parent is adjusted for the conversion of outstanding options into shares within Absa Group Limited and Barclays Global Investors UK Holdings Limited. The weighted average number of ordinary shares excluding own shares held in employee benefit trusts and shares held for trading, is adjusted for the effects of all dilutive potential ordinary shares, totalling 177 million (2006: 150 million, 2005: 149 million).

Summary Financial Statement

Summary consolidated balance sheet

As at 31st December

	2007 £m	2006 £m
Assets		
Cash and other short-term funds	7,637	9,753
Trading and financial assets designated at fair value	341,171	292,464
Derivative financial instruments	248,088	138,353
Loans and advances to banks	40,120	30,926
Loans and advances to customers	345,398	282,300
Available for sale financial investments	43,072	51,703
Reverse repurchase agreements and cash collateral on securities borrowed	183,075	174,090
Property, plant and equipment	2,996	2,492
Other assets	15,804	14,706
Total assets	1,227,361	996,787
Liabilities		
Deposits and items in the course of collection due to banks	92,338	81,783
Customer accounts	294,987	256,754
Trading and financial liabilities designated at fair value	139,891	125,861
Liabilities to customers under investment contracts	92,639	84,637
Derivative financial instruments	248,288	140,697
Debt securities in issue	120,228	111,137
Repurchase agreements and cash collateral on securities lent	169,429	136,956
Insurance contract liabilities, including unit-linked liabilities	3,903	3,878
Subordinated liabilities	18,150	13,786
Other liabilities	15,032	13,908
Total liabilities	1,194,885	969,397
Shareholders' equity^a		
Shareholders' equity excluding minority interests	23,291	19,799
Minority interests ^b	9,185	7,591
Total shareholders' equity	32,476	27,390
Total liabilities and shareholders' equity	1,227,361	996,787

Notes

a Shareholders' equity

The residual interest of shareholders in the reported amounts of the assets of the business after deduction of the claims represented by liabilities.

b Minority interests

The interests of others in certain subsidiaries of the Group, for example Absa Group Limited.

Independent auditors' statement to the members of Barclays PLC

We have examined the Summary Financial Statement, which comprises the Summary consolidated income statement, the Summary consolidated balance sheet, and the Summary remuneration report set out on pages 8 and 9 and 11 to 13.

Respective responsibilities of Directors and auditors

The Directors are responsible for preparing the Annual Review in accordance with United Kingdom law. Our responsibility is to report to you our opinion on the consistency of the Summary Financial Statement within the Annual Review with the full annual financial statements, and the Remuneration report, and its compliance with the relevant requirements of section 251 of the Companies Act 1985 and the regulations made thereunder.

We also read the other information contained in the Annual Review and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Summary Financial Statement.

This statement, including the opinion, has been prepared for and only for the Company's members as a body in accordance with section 251 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this statement is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

The maintenance and integrity of the Barclays website is the responsibility of the Directors; the work carried

out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the full annual financial statements or the Summary Financial Statement since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6, 'The auditors' statement on the Summary Financial Statement' issued by the Auditing Practices Board. Our report on the Company's full annual financial statements describes the basis of our audit opinion on those financial statements and the Remuneration report.

Opinion

In our opinion the Summary Financial Statement is consistent with the full annual financial statements and the Remuneration report of Barclays PLC for the year ended 31st December 2007 and complies with the applicable requirements of section 251 of the Companies Act 1985, and the regulations made thereunder.

PRICEWATERHOUSECOOPERS 

PricewaterhouseCoopers LLP
Chartered Accountants and
Registered Auditors
London
7th March 2008

Share Capital and other information

Barclays issued share capital currently comprises two classes of shares: ordinary shares and Staff Shares. At 31st December 2007 there were 6,600,181,801 ordinary shares in issue (representing 99.99% of the total issued share capital) and 875,000 Staff Shares in issue (representing the remaining 0.01%). The rights attaching to ordinary shares and to Staff Shares are defined in Barclays Articles of Association, which may only be amended by a Special Resolution at a general meeting of shareholders.

On a show of hands at a general meeting every holder of ordinary shares or Staff Shares present in person and entitled to vote has one vote and on a poll, every member present in person or by proxy and entitled to vote has one vote for every ordinary share or Staff Share held. Deadlines for exercising voting rights are set out in Barclays Articles of Association. As at 27th February 2008, Barclays had been notified of the following holdings of voting rights in its issued share capital:

China Development Bank (via its subsidiary Upper Chance Group Ltd)	3.02%
Legal & General Group plc	4.02%
Lloyds TSB Group Plc	5.01%

Summary remuneration report

Remuneration report

This is our summary remuneration report for 2007, presented by Sir Richard Broadbent, Chairman of the Board HR and Remuneration Committee. You can find our full remuneration report in our 2007 Annual Report, available online at www.barclays.com/annualreport07.

Shareholders will be asked to approve the full remuneration report at the 2008 AGM. Important context to the report and the disclosures that follow is provided below:

- Group profit before tax was £7.1 bn, broadly in line with the prior year;
- Group profit before business disposals increased by 3%; and
- careful management of performance related remuneration has resulted in a reduction in key remuneration ratios relative to 2006, including the absorption of 2007 headcount investment.

Barclays Remuneration Policy remains unchanged, including the commitment to transparency and to policies and programmes that serve well the interests of shareholders.

Barclays policy is to use remuneration to drive a high-performance culture. Outstanding performance will therefore attract outstanding remuneration. This applies to all remuneration policies and practices for all employees in the Group, including executive Directors.

The aims of the Barclays Remuneration Policy are to:

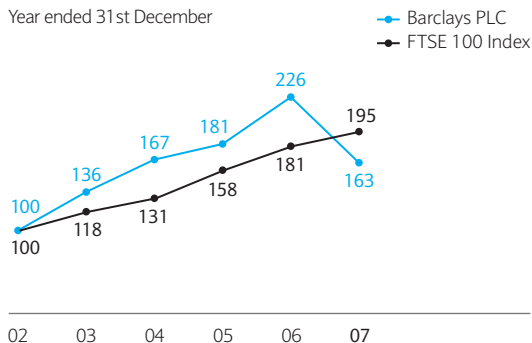
- incentivise excellence in and balance between both short-term (one year) and longer-term (three years plus) performance such that the Group financial goals and the goal of achieving top quartile total shareholder return (TSR) are met and sustained;
- enable the Group to attract and retain people of proven ability, experience and skills in the pools in which we compete for talent;
- encourage behaviour consistent with Barclays Guiding Principles which leads to excellence and the appropriate balance in financial performance, governance, controls, risk management, customer service, people management, brand and reputation management;
- promote attention to maximising personal contribution, contribution to the business in which the individual works and contribution to the Group overall; and
- ensure, both internally and externally, that remuneration policies and programmes are transparent, well communicated, easily understood and aligned with the interests of shareholders.

Restrictions on the transfer of Barclays shares are set out in Barclays Articles of Association. Employee Benefit Trusts (EBTs) operate in connection with certain of Barclays employee share plans (Plans). The Trustees of the EBTs may exercise all rights attaching to the shares in accordance with their fiduciary duties other than as specifically restricted in the relevant Plan documents.

Barclays Articles of Association specify that Directors may be appointed by the existing Directors or by the shareholders in general meeting. The Directors may, if authorised by the shareholders in general meeting, allot Barclays shares and may buy back Barclays own shares.

Total Shareholder Return £

Year ended 31st December



Source: Datastream

Schedule 7A of the Companies Act 1985 requires that the graph shows TSR for the five years ending with the relevant financial year.

2007 Annual Remuneration

Directors' individual remuneration

2007 Annual Remuneration ^a

	Salary and fees £000	Benefits ^b £000	Annual cash bonus £000	2007 Total £000	2006 Total £000
Group Chairman					
Marcus Agius ^c	750	1	–	751	22
Executive Directors					
John Varley ^d	975	18	1,425	2,418	2,516
Robert E Diamond Jr ^{d,e}	250	14	6,500	6,764	10,692
Gary Hoffman ^d	625	15	506	1,146	1,108
Chris Lucas ^f	450	135	450	1,035	–
Frits Seegers ^{d,g}	700	199	1,313	2,212	1,630
Non-executive Directors^h					
David Booth ⁱ	43	–	–	43	–
Sir Richard Broadbent	180	–	–	180	147
Leigh Clifford	80	–	–	80	76
Fulvio Conti	85	–	–	85	54
Dr Danie Cronjé	217	–	–	217	326
Professor Dame Sandra Dawson	85	–	–	85	81
Sir Andrew Likierman	100	–	–	100	96
Sir Nigel Rudd	200	–	–	200	200
Stephen Russell	145	–	–	145	137
Sir John Sunderland	95	–	–	95	81
Former Director					
Naguib Kheraj ^{d,j}	175	44	438	657	2,565

Forthcoming ESAS and PSP awards^k

	Mandatory ESAS – 2007 results £000	March 2008 PSP – value of shares under initial allocation £000	Mandatory ESAS – 2006 results £000	March 2007 PSP – value of shares under initial allocation £000
Executive Directors				
John Varley	618	1,200	699	1,200
Robert E Diamond Jr ^l	11,375	3,000	4,518	6,850
Gary Hoffman	219	625	203	625
Chris Lucas	195	800	–	600
Frits Seegers	569	1,600	520	1,000

Notes

- a** Emoluments include amounts, if any, payable by subsidiary undertakings. Amounts payable to Dr Danie Cronjé include an amount of ZAR1,926,400 (£136,774) in respect of his Chairmanship of Absa Group Limited from which he retired on 31st July 2007 (2006: ZAR3,114,800 (£249,829)).
- b** The Group Chairman and executive Directors receive benefits in kind, which may include life and disability cover, the use of a Company owned vehicle or cash equivalent, medical insurance and tax advice. Benefits are provided on similar terms to other senior executives. No Director has an expense allowance.
- c** Marcus Agius was appointed as a non-executive Director on 1st September 2006 and as Group Chairman from 1st January 2007.
- d** In 2007 John Varley was a Director of Ascot Authority (Holdings) Limited (Directorship ceased on 31st December 2007) and British Grolux Investments Limited for which he received fees of £20,085 and £7,613 respectively (2006: £26,000 and £7,500 respectively). John Varley is a non-executive Director of AstraZeneca plc for which he received fees of £56,486 in 2007 (2006: £21,075). John Varley is

also a member of the International Advisory Panel of the Monetary Authority of Singapore for which he received fees of US\$10,000 in 2007 (2006: US\$10,000). John Varley is Chairman of Business Action on Homelessness and President of the Employers' Forum on Disability for which he receives no fees. Robert E Diamond Jr is Chairman of Old Vic Productions plc for which he received no fees in 2007. Gary Hoffman is a Director of Visa (Europe) Limited and Visa (International) Limited for which he receives no fees. Gary Hoffman is also a Director of Trinity Mirror plc for which he received fees of £62,754 in 2007 (2006: £50,000). During the course of his Directorship Naguib Kheraj was a member of the Board of Governors of the Institute of Ismaili Studies and Chairman of the National Committee of the Aga Khan Foundation for which he received no fees in 2007. Naguib Kheraj (up to 31st March 2007) and Frits Seegers are non-executive Directors of Absa Group Limited and Absa Bank Limited. They have both waived their fees, which were paid to Barclays. Their respective fees in 2007 were ZAR136,533 (£9,694) and ZAR469,900 (£33,363) (2006: ZAR425,100 (£34,096) and ZAR75,400 (£6,048) respectively).

Directors' aggregate emoluments and other benefits

	2007 £m	2006 £m
Aggregate emoluments	29.2	32.0
Gains made on the exercise of share options	0.3	5.5
Amounts paid under long-term incentive schemes	–	–
Actual pension contributions to money purchase scheme (2007: one Director, £10,233 and 2006: one Director, £11,414)	–	–
Notional pension contributions to money purchase scheme (2007: no Directors and 2006: no Directors)	–	–
	29.5	37.5

As at 31st December 2007, three Directors were accruing retirement benefits under a defined benefit scheme (2006: four Directors).

e The remuneration for 2007 for Robert E Diamond Jr was based on the performance of Barclays Group, Barclays Capital, Barclays Global Investors and Barclays Wealth, both on an absolute and industry relative basis. The composition of this package continues to be heavily weighted towards elements that are 'at risk' and reflects practice in the investment banking and investment management industry.

f Chris Lucas was appointed as an executive Director with effect from 1st April 2007. In addition to the amount shown in the 'Salary and fees' column above, Chris Lucas received an award under ESAS of 69,091 Barclays shares in recognition of forfeited compensation from his previous employment. Bonus shares are not applicable to this award. This ESAS award is not included in the table above. In addition, Chris Lucas received an award under the PSP with an initial allocation of 82,910 Barclays shares which is shown in the table above (footnote k on this page provides further information). Chris Lucas received an allowance of 25% of base salary (£112,500) in lieu of pension contributions. This amount is included in the column for 'Benefits' in the table above.

g Frits Seegers received an allowance of 25% of base salary (£175,000) in lieu of pension contributions (pro-rata 2006: £84,028). This amount is included in the column for 'Benefits' in the table above.

h £20,000 of each non-executive Director's base fee of £65,000 is used, after tax, to buy Barclays shares.

i David Booth was appointed as a non-executive Director on 1st May 2007.

j Naguib Kheraj ceased to be an executive Director on 31st March 2007. The amounts shown in the table above are in respect of the period from 1st January 2007 to 31st March 2007. During this period Naguib Kheraj received an allowance of 23% of base salary (£40,250) in lieu of pension contributions (2006: £149,500). This amount has been included in the column for 'Benefits' above. In order to effect a successful handover to his successor, from 1st April 2007 to 30th April 2007, Naguib Kheraj was paid in accordance with the terms of his service contract (being a total amount of £218,343 which included a discretionary bonus of £145,833). Following the termination of his service contract and taking into consideration the duty to mitigate his loss, no payments were made to Naguib Kheraj in relation to the termination of his contract. Naguib Kheraj was retained by Barclays in a corporate finance advisory role for an eight month period from 1st May 2007 to 31st December 2007. Naguib Kheraj received a

payment of £600,000 per month for this period, as well as a payment of £14,178 per month for contractual benefits (including an allowance in lieu of pensions contributions). Naguib Kheraj's corporate finance role was terminated on 31st December 2007 and no payments were made to Naguib Kheraj on termination of this arrangement.

k The Executive Share Award Scheme ('ESAS') is a deferred share award plan which operates in conjunction with the annual Barclays Group cash bonus plans. Currently, for executive Directors, typically 75% of the annual bonus is delivered as cash. A recommendation may be made to the ESAS trustee that the remaining 25% is delivered as an award under ESAS ('Mandatory ESAS award'). The Performance Share Plan ('PSP') is the main performance-linked share incentive plan. PSP awards to date have been granted in the form of provisional allocations of Barclays shares. Awards normally vest on the third anniversary of the date of grant, if and to the extent that the performance conditions are satisfied. The performance conditions for PSP awards made in 2007 and to be made in 2008 will be measured over the three-year performance period (2007 to 2009 and 2008 to 2010 respectively). The amounts shown for Mandatory ESAS awards represent the value of Barclays shares to be recommended for an award under Mandatory ESAS for the 2007 results and recommended for an award under Mandatory ESAS for the 2006 results, including a maximum 30% bonus share element. The amounts shown for PSP represent the value of Barclays shares under initial allocation to be recommended for an award under PSP in March 2008 and recommended for an award under PSP in March 2007 (May 2007 for Chris Lucas).

l In addition to the Mandatory ESAS award shown for the 2007 results, Robert E Diamond Jr will receive a separate award under ESAS in respect of the Retained Incentive Opportunity, which reached the end of its performance period on 31st December 2007. Barclays Capital's cumulative economic profit over the performance period exceeded the £2bn threshold for a maximum award to vest. This resulted in a vesting in February 2008 to the value of £14,850,000 with 50% payable in cash and the remaining 50% as a recommendation to the ESAS trustee for an award of Barclays shares in the form of a provisional allocation. Bonus shares do not apply to the ESAS award in respect of the Retained Incentive Opportunity.

Corporate sustainability

For Barclays, there are two separate but mutually dependent aspects to sustainability. One is our duty as a bank to provide sound and enduring returns for our shareholders, and the best possible services for our customers. The other is our responsibility to conduct our global business ethically, and with full regard to wider social and environmental considerations.

Our ambition going forwards is to develop both of these complementary strands to our strategy: Barclays as a sustainable bank and Barclays as a responsible global citizen.

Barclays as a sustainable bank

Banks are central to every society; they provide the funding that facilitates business and entrepreneurship, support a sound financial system, and help to create jobs and wealth.

In all of this, the customer is absolutely central. If we are to make sustainable banking successful and successful banking sustainable, we must put our customers at the heart of everything we do, and build our services around them.

This aspiration covers every aspect of our business and every stage in a customer's relationship with us, from the purchase of a Barclays product for the first time, to the way we address applications for loans, to the more general aspects of customer service such as complaints-handling, confidentiality, and security.

In 2007 we made progress with the development of basic bank accounts, increased our focus on the 'Treating Customers Fairly' agenda across the Group, and continued to refine the social and environmental criteria we apply to our commercial lending. This is an area where Barclays has demonstrated genuine leadership.

Barclays as a responsible global citizen

Being a responsible global citizen doesn't just cover our award-winning community investment programme, but includes how we behave as an employer, our work on human rights, and how we manage Barclays wider social and environmental impacts.

Climate change has become the single biggest challenge the world faces at the beginning of the 21st century, and in response we are focusing increasingly on our work on the environment, which includes both our direct

and indirect impacts. We are also working more closely with our suppliers to help them address their own sustainability performance.

Barclays has always been a proud and committed investor in its communities. In 2007 we invested £52.4m in communities around the world and 44,000 Barclays employees in 26 countries were involved in our fundraising and volunteering initiatives.

Our work on assessing the environmental and sustainability risks of project finance deals continued in 2007. The number of deals we reviewed, rejected or changed to meet our sustainability requirements increased on our 2006 figures.

One of our guiding principles is to develop the best people, and in such an intensely competitive industry we want to find, develop and retain the best talent. We are committed to diversity as a way of helping to ensure we are able to attract the best people. We have a wide range of development and leadership programmes for employees, and a policy that ensures that they are all treated with respect, regardless of age, race, sexuality, gender or disability.

We use our employee opinion surveys to understand and engage our employees. We continue to score well but we are working to improve our scores further.

As we grow internationally our workforce becomes ever more diverse, reflecting the worldwide markets in which we operate. The percentage of UK ethnic minority employees has increased significantly from 7.2% in 2001, to 12.3% in 2007. As we grow we are determined to build the local talent base in the markets in which we operate, we see this as a crucial success factor for us in emerging markets. In the UK we also continued to invest in the disability mentoring and 'reasonable adjustments' schemes in 2007, and have again been ranked in the top 20 of Stonewall's list of the best employers for lesbian, gay and bisexual people.

These are clear successes; but we have much more work to do on our gender balance, especially at senior level: 20.6% of our senior managers are women. The drive to improve this comes from the very top of the bank.

We will set out our full work on Corporate Sustainability in our report that will be published on 20th May.

Shareholder support

2008 diary

7th March

On record date for payment of the 2007 final dividend

4th April

Final date for joining or leaving the dividend reinvestment plan for the 2007 final dividend

24th April

Annual General Meeting

25th April

Final dividend for 2007 to be paid

7th August

Interim results for 2008 announced

22nd August

On record date for payment of the 2008 interim dividend

9th September

Final date for joining or leaving the dividend reinvestment plan for the interim dividend

1st October

Interim dividend for 2008 to be paid

Note: All future announcements and dividend dates are provisional and subject to change.

It is safer and quicker to have your dividend paid direct into your bank or building society account.

If you haven't already arranged to mandate your dividend you can download a form on-line at www.barclays.com/investorrelations. Alternatively, you can phone the Barclays Shareholder Helpline. In future we may need to pass on the charge of re-issuing your dividend cheques if you lose them.

Help

Shareholder information – there's more detailed information on-line

Barclays have expanded the information that shareholders can see on-line at www.barclays.com/annualreport07. This includes the full Annual Report and expanded Annual Review, which features video case studies showing how our diversified business portfolio creates value for shareholders and benefits customers.

Help for Barclays Shareholders

0871 384 2055* (in the UK)
+44 121 415 7004 (from overseas)

questions@share-registers.co.uk

The Registrar to Barclays PLC
Aspect House, Spencer Road, Lancing
West Sussex BN99 6DA

Textphone

0871 384 2255* (in the UK)
+44 121 415 7028 (from overseas)

Barclays Sharestore

If you hold Barclays shares in Sharestore you are only able to deal through Barclays Stockbrokers. For the special internet dealing service for Barclays Sharestore members visit www.sharestore.barclays.co.uk or phone them on 0845 604 0077 (in the UK)
+44 141 352 3943 (from overseas)

The share price

Information on the Barclays share price is available at www.barclays.com/investorrelations, on Teletext and may also be obtained by calling 0900 1353 653 (calls within the UK are charged at 60p per minute).

Audio version

Extracts from this Annual Review are available, free of charge, by calling the Shareholder Helpline.

0871 384 2055* (in the UK)
+44 121 415 7004 (from overseas)

Audio versions will also be available at the AGM.

* Calls to this number are charged at 8p per minute if using a BT landline. Call charges may vary if using other telephone providers.



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Designed by Pauffley

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Full Annual Report

The Summary Financial Statement is only a summary of information in the Barclays PLC Annual Report 2007.

Please note that this Annual Review and Summary Financial Statement do not contain sufficient information to allow a full understanding of the results of the Group and the state of affairs of the Company or of the Group. For further information consult the Annual Report 2007. You can obtain a copy of the Annual Report 2007 and may also elect to receive all future Annual Reports, free of charge, by telephoning our Registrar on 0871 384 2055* or you can view a copy at: www.barclays.com/annualreport07

The Annual Report 2007 contains the Directors' report, the Remuneration report, and the Auditors' report and the audited accounts. The Auditors' report on the full accounts for the year ended 31st December 2007 was unqualified and did not include a statement under sections 237(2) (accounting records or returns inadequate or accounts not agreeing with records and returns) or 237(3) (failure to obtain necessary information and explanations) of the Companies Act 1985.

The statement under section 235(3) (whether Director's report is consistent with accounts) was unqualified.

[Find out more at
www.barclays.com/annualreport07](http://www.barclays.com/annualreport07)

* Calls to this number are charged at 8p per minute if using a BT landline. Call charges may vary if using other telephone providers.

Forward-looking statements

This document contains certain forward-looking statements within the meaning of Section 21E of the US Securities Exchange Act of 1934, as amended, and Section 27A of the US Securities Act of 1933, as amended, with respect to certain of the Group's plans and its current goals and expectations relating to its future financial condition and performance. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'aim', 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', or other words of similar meaning. Examples of forward-looking statements include, among others, statements regarding the Group's future financial position, income growth, impairment charges, business strategy, projected levels of growth in the banking and financial markets, projected costs, estimates of capital expenditures, and plans and objectives for future operations. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, UK domestic and global economic and business conditions, the effects of continued volatility in credit markets, market related risks such as changes in interest rates and exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under International Financial Reporting Standards (IFRS) applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, progress in the integration of Absa into the Group's business and the achievement of synergy targets related to Absa, the outcome of pending and future litigation, the success of future acquisitions and other strategic transactions and the impact of competition – a number of which factors are beyond the Group's control. As a result, the Group's actual future results may differ materially from the plans, goals, and expectations set forth in the Group's forward-looking statements.

Any forward-looking statements made by or on behalf of Barclays speak only as of the date they are made. Barclays does not undertake to update forward-looking statements to reflect any changes in Barclays expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any additional disclosures that Barclays has made or may make in documents it has filed or may file with the SEC.